



UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(c)

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Debtors-in-Possession

In re:

TARRAGON CORPORATION, *et al.*,

Debtors-in-Possession.

Case No. 09-10555 (DHS)

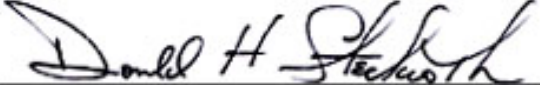
Judge: Donald H. Steckroth

Chapter 11

**INTERIM ORDER PURSUANT TO SECTIONS 105(a), 362(a)(3) AND 541 OF THE
BANKRUPTCY CODE (A) LIMITING CERTAIN TRANSFERS OF CLAIMS AGAINST THE
DEBTORS AND (B) APPROVING RELATED NOTICE PROCEDURES AS IT RELATES TO
TABERNA CAPITAL MANAGEMENT, LLC**

The relief set forth on the following pages, numbered two (2) and three (3), is hereby
ORDERED.

DATED: 5/28/2009



Honorable Donald H. Steckroth
United States Bankruptcy Judge

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Debtors: TARRAGON CORPORATION, *et al.*
Case No. 09-10555 (DHS)
Caption of Order: INTERIM ORDER PURSUANT TO SECTIONS 105(a), 362(a)(3) AND 541 OF THE BANKRUPTCY CODE (A) LIMITING CERTAIN TRANSFERS OF CLAIMS AGAINST THE DEBTORS AND (B) APPROVING RELATED NOTICE PROCEDURES AS IT RELATES TO TABERNA CAPITAL MANAGEMENT, LLC

THIS MATTER having been opened to the Court by Cole, Schotz, Meisel, Forman & Leonard, P.A., attorneys to Tarragon Corporation *et al.*, the within debtors and debtors-in-possession (collectively, the “Debtors”),¹ upon motion for entry of an Order pursuant to Sections 105(a), 362(a)(3) and 541 of the Bankruptcy Code (a) limiting certain transfers of equity securities of the Debtors and claims against the Debtors and (b) approving related notice procedures (the “Motion”);² and it appearing that good and sufficient notice of the interim and final hearings on Motion having been provided, as evidenced by the Affidavit of Service filed with the Court; and on January 15, 2009, the Court having entered an Order approving the Motion on an interim basis (the “Interim Order”); and on February 20, 2009, the Court having entered a final order on the Motion as it relates to transfers of equity securities of the Debtors; and on March 5, 2009, the Court having entered a final order limiting certain transfers of claims against the Debtors and interim order limiting certain transfers of claims except as it relates to

¹ The Debtors are Tarragon Corporation, Tarragon Development Corporation, Tarragon South Development Corp., Tarragon Development Company LLC, Tarragon Management, Inc., Bermuda Island Tarragon LLC, Orion Towers Tarragon, LLP, Orlando Central Park Tarragon L.L.C., Fenwick Plantation Tarragon LLC, One Las Olas, Ltd., The Park Development West LLC, 800 Madison Street Urban Renewal, LLC, 900 Monroe Development LLC, Block 88 Development, LLC, Central Square Tarragon LLC, Charleston Tarragon Manager, LLC, Omni Equities Corporation, Tarragon Edgewater Associates, LLC, The Park Development East LLC, Vista Lakes Tarragon, LLC, Murfreesboro Gateway Properties, LLC, Tarragon Stonecrest, LLC, MSCP, Inc., Tarragon Stratford, Inc. and TDC Hanover Holdings LLC.

² Unless otherwise defined herein, all capitalized terms used herein shall have the meanings set forth in the Motion.

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Caption of Order: INTERIM ORDER PURSUANT TO SECTIONS 105(a), 362(a)(3) AND 541
OF THE BANKRUPTCY CODE (A) LIMITING CERTAIN TRANSFERS
OF CLAIMS AGAINST THE DEBTORS AND (B) APPROVING
RELATED NOTICE PROCEDURES AS IT RELATES TO TABERNA
CAPITAL MANAGEMENT, LLC

Taberna Capital Management, LLC (“Taberna”) and Paradigm Credit Corp. (“Paradigm”); and the Court having previously entered interim orders adjourning the Motion as it relates to Taberna and Paradigm; and opposition having been filed by Taberna and Paradigm (the “Objections”) to the requested relief; and the Debtors having filed a response to the Objections; and on April 28, 2009, Paradigm having withdrawn its objection to the Motion; and the parties having agreed to adjourn the Motion as it pertains to the transfers of Taberna’s claims and that the restrictions imposed upon such transfers by the Interim Order shall remain in effect, pending final hearing,

IT IS HEREBY ORDERED:

1. The hearing on the Motion as it relates to the transfer of claims against the Debtors by Taberna shall be adjourned to June 11, 2009 at 10:00 a.m.
2. Pending further Order of the Court, Taberna shall not be required to file a Notice of Substantial Claimholder but is deemed to be a Substantial Claimholder within the meaning of the Interim Order. The Interim Order and restrictions contained therein shall remain in effect until June 11, 2009 as it relates to the transfer of claims against the Debtors by Taberna.
3. The Debtors’ counsel shall serve copies of this Order within seven (7) days hereof.